



psiEnergy™

Corporate Offices

1000 East Main Street
Plainfield, Indiana 46168-1782

317.839.9611

RECORDATION NO. 21367 FILED

MAY 5 '98

10-19AM

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RECEIVED
SURFACE TRANSPORTATION
BOARD

May 4, 1998

Secretary of the Surface Transportation Board
1925 K Street N.W.
Washington D. C. 20423

Re: Form of Memorandum of Railcar Lease dated April 20, 1998 between PSI
Energy, Inc. and Southern Indiana Gas and Electric Company

Gentlemen:

Enclosed are two original Form of Memorandum of Railcar Leases for filing along with
check no. 63286 for \$26.00 for the filing fee. If you have any questions concerning the
enclosed documents, please do not hesitate to contact me at (317) 838 1782, or fax me at
(317) 838 2637.

Sincerely,

Rebecca L. Step

Rebecca L. Step
Sr. Contract Analyst

FORM OF MEMORANDUM OF RAILCAR LEASE

MAY 5 '98

10-19AM

THIS MEMORANDUM OF RAILCAR LEASE dated as of this 20 day of April, 1998, is made by PSI ENERGY, INC., an Indiana corporation, with an address at 1000 East Main Street, Plainfield, Indiana 46168-1782 (the "Lessor"), and Southern Indiana Gas and Electric Company, an Indiana corporation, with an address at 20 N.W. Fourth Street, Evansville, Indiana 47741, (the "Lessee"), together the ("Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee entered into that certain Equipment Sublease Agreement (the "Lease") dated as of the date hereof covering the equipment listed on Schedule 1 hereto (the "Equipment").

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, the undersigned has caused this Document to be executed by a duly authorized officer as of the day and year first above written.

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY

By: Name: Andrew E. Goebel
Title: President and Chief Executive Officer

PSI ENERGY, INC.

By: Name: Richard C. Morton
Title: Manager Fuel Contracts

STATE OF Indiana

) SS:
COUNTY OF Hendricks

On this 14th day of April, 1998 before me personally appears
Richard C. Morton to me personally known, who by me duly sworn, says that he/she is the
Mgr - Fuel Contracts of PSI ENERGY, INC. (the "Company"), that the foregoing instrument was
signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged
that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Jane R Strong
Notary Public

[SEAL]

My Commission expires: August 28, 1999

STATE OF INDIANA)

) SS:

COUNTY OF)
Vanderburgh

On this 20th day of April, 1998, before me personally appears A. E. Goebel, to me
personally known, who by me duly sworn, says that he/she is the President & CEO of
Southern Indiana Gas and Electric Company (the "Company"), that the foregoing instrument was signed
on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the
execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
Charlotte A. Schlensker
Charlotte A. Schlensker

[SEAL]

My Commission expires: May 10, 2000

FORM OF MEMORANDUM OF RAILCAR LEASE
BETWEEN PSI ENERGY, INC. ("LESSOR") AND
SOUTHERN INDIANA GAS AND ELECTRIC COMPANY ("LESSEE")

DATED APRIL 20, 1998

SCHEDULE 1

List of railcars leased Johnstown America Built 1991, aluminum open top auto flood hopper, 4180 cubic feet, five pocket with rotary dump operation railcars.

LERX Series No.

31026	30884	30980	30945
31020	31005	30949	30890
30975	30847	31000	31033
30921	30993	30846	30942
31036	30996	30977	30912